



Agenda Item No. (5)(a)

To: Finance-Auditing Committee/Committee of the Whole
Meeting of June 22, 2023

From: Lauren dePaschalis, Analyst, Capital and Grant Programs
Amy Frye, Director, Capital and Grant Programs
Joseph M. Wire, Auditor-Controller
Denis J. Mulligan, General Manager

Subject: **AUTHORIZE ACTIONS RELATED TO GRANT PROGRAMS**
(a) APPROVE ACTIONS RELATIVE TO THE STATE OF GOOD REPAIR (SGR) PROGRAM

Recommendation

The Finance-Auditing Committee recommends that the Board of Directors approve actions necessary to secure FY 23/24 State of Good Repair (SGR) program funds to support transit projects that maintain the public transit system in a state of good repair for the Golden Gate Bridge, Highway and Transportation District (District):

1. Authorize the General Manager or his designee to execute for and on behalf of the District any documents necessary relative to the FY 23/24 SGR program; and,
2. Approve submission of the Ferry Division Capital Projects #2141 *Larkspur Ferry Terminal Fuel System Rehabilitation*, #2443 *SFFT Outer Berth Rehabilitation*, and #2444 *SFFT Inner Berth Hydraulics Rehabilitation*, for the FY 23/24 proposed project list to the Metropolitan Transportation Commission (MTC).

This matter will be presented to the Board of Directors at its June 23, 2023, meeting for appropriate action.

Summary

On April 28, 2017, Governor Brown signed Senate Bill (SB) 1 (Chapter 5, Statutes of 2017), known as the Road Repair and Accountability Act of 2017. Senate Bill 1 will provide over \$50 billion in new transportation funding over the next decade to repair highways, bridges and local roads, to make strategic investments in congested commute and freight corridors, and to improve transit service. Under SB 1, the SGR program will provide approximately \$105 million annually to transit operators in California for eligible transit maintenance, rehabilitation and capital projects.

The State of Good Repair Program is funded from a portion of a new Transportation Improvement Fee on vehicle registrations due on or after January 1, 2018. A portion of this fee will be transferred to the State Controller's Office (SCO) for the SGR Program.

In collaboration with the SCO, the California Department of Transportation (Caltrans) is tasked with the management and administration of the SGR Program. These funds will be allocated under the State Transit Assistance (STA) Program formula to eligible agencies pursuant to Public Utilities Code (PUC) section 99312.1: half is allocated according to population and half according to transit operator revenues.

Beginning in FY 19/20, Caltrans changed the SGR Program guidelines to require regional agencies such as MTC to approve SGR Program Revenue-Based (PUC section 99314) projects from transit operators and submit a single region-wide list of projects to Caltrans by September 1st of each year. This process differed from the process in place for the first two years of the SGR Program, whereby transit operators directly submitted their project lists to Caltrans by September 1st.

The District's project list will include three capital projects, #2141 *Larkspur Ferry Terminal Fuel System Rehabilitation*, #2443 *SFFT Outer Berth Rehabilitation*, and #2444 *SFFT Inner Berth Hydraulics Rehabilitation*. The Board of Directors approved the addition of Project #2141 to the Ferry Division Capital Budget along with the Proposed FY 20/21 Operating and Capital Budget at its June 26, 2020, meeting. Projects #2443 and #2444 are included in the FY23/24 Proposed Operating and Capital Budget awaiting approval from the Board of Directors.

In order to secure SGR funds to support capital projects, program applicants are required to adopt a resolution (attached), which appoints individuals or positions to act on behalf of the applicant and its governing body to execute agreements, certifications and assurances, and other related documents required by Caltrans and MTC.

Fiscal Impact

Approval of this item will program a total of \$1,530,726 in the first year of several years of planned SGR grant allocations. The funds will be allocated to three District projects: \$277,126 in SGR funds to Project #2141, *Larkspur Ferry Terminal Fuel System Rehabilitation* and \$1,253,600 in SGR funds to Project #2443, *SFFT Outer Berth Rehabilitation* and #2444, *SFFT Inner Berth Hydraulics Rehabilitation*. The funding plans for these three projects are detailed below.

Project #2141 is included in the proposed FY 23/24 Ferry Division Capital Budget for a total project budget of \$2 million, funded with \$1,600,000 federal funds (80% FTA) and \$400,000 state funds (20% SGR). \$277,126 of SGR funding will come from the FY24 allocation, and the additional \$122,874 will come from future years of SGR funding.

Project #2443 is included in the proposed FY 23/24 Ferry Division Capital Budget for a total project budget of \$5,274,000, funded with \$1,054,800 state funds (20% SGR) and \$4,219,200 District funds (80%).

Project #2444 is included in the proposed FY 23/24 Ferry Division Capital Budget for a total project budget of \$994,000, funded with \$198,800 state funds (20% SGR) and \$795,200 District funds (80%).

The state funds applied to Projects #2444 and #2443 will be reflected in the adopted budget following Board approval. Staff have identified existing federal funds that may be programmed to the two berth projects, replacing the District share, and funding updates for those projects will also be reflected in the adopted budget.

Attachment: Draft Resolution

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ATTACHMENT

GOLDEN GATE BRIDGE, HIGHWAY AND TRANSPORTATION DISTRICT

RESOLUTION NO. 2023-XXX

APPROVING THE FY 2023-2024 PROJECT LIST FOR THE CALIFORNIA STATE OF GOOD REPAIR PROGRAM, AND RELATED ACTIONS

June 23, 2023

WHEREAS, Senate Bill 1 (SB 1), the Road Repair and Accountability Act of 2017, established the State of Good Repair (SGR) program to fund eligible transit maintenance, rehabilitation and capital project activities that maintain the public transit system in a state of good repair;

WHEREAS, the Golden Gate Bridge, Highway and Transportation District is an eligible project sponsor and may receive State Transit Assistance funding from the State of Good Repair Account (SGR) for transit projects;

WHEREAS, Senate Bill 1 (2017) named the California Department of Transportation (Department) as the administrative agency for the SGR;

WHEREAS, the Department has developed guidelines for the purpose of administering and distributing SGR funds to eligible project sponsors;

WHEREAS, SGR funds are allocated by the Metropolitan Transportation Commission;

WHEREAS, the Golden Gate Bridge, Highway and Transportation District's share of SGR funds for fiscal year 2023-24 is estimated to be \$1,530,726;

WHEREAS, these funds are proposed to be used for the rehabilitation of the outer berth and inner berth hydraulics of the SFFT and the rehabilitation of the LFT fuel system.

WHEREAS, in order to qualify for these funds, the Golden Gate Bridge, Highway and Transportation District is required to submit a proposed project list to the Metropolitan Transportation Commission on an annual basis; and

WHEREAS, the Finance-Auditing Committee/Committee of the Whole, at its meeting of June 22, 2023, has so recommended; now, therefore, be it

RESOLVED that the Board of Directors of the Golden Gate Bridge, Highway and Transportation District hereby approves the SB1 State of Good Repair Project List for FY 2023-24, as presented by staff; and

RESOLVED that the General Manager, Auditor-Controller, and Director, Capital & Grant Programs are hereby authorized to submit a request for Scheduled Allocation of the SB1 State of Good Repair Funds, and to execute all agreements, amendments, certification and

assurances, and related documents for the SGR program required by the California Department of Transportation and the Metropolitan Transportation Commission.

ADOPTED this 23rd day of June 2023 by the following vote of the Board of Directors:

AYES ();

NOES ();

ABSENT:

Michael Theriault
President, Board of Directors

ATTEST: _____
Amorette M. Ko-Wong
Secretary of the District

Reference: June 22, 2023, Finance-Auditing Committee, Agenda Item No. (5)(a)